NOT FOR PUBLICATION UNTIL RELEASED BY THE HOUSE ARMED SERVICES COMMITTEE

STATEMENT OF

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DEPUTY COMMANDANT PLANS, POLICIES, & OPERATIONS

UNITED STATES MARINE CORPS

BEFORE THE

SUBCOMMITTEE ON READINESS

OF THE

HOUSE ARMED SERVICES COMMITTEE

CONCERNING

REQUIREMENTS TO RECONSTITUTE MILITARY EQUIPMENT

ON

APRIL 6, 2005

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Introduction

Chairman Hefley, Congressman Ortiz, distinguished members of the Subcommittee; it is my privilege to report to you on the actions taken to date to reconstitute the Marine Corps, as well as future reconstitution requirements. Today, we are at war and your Marines are performing well due to their extraordinary courage, dedication, and commitment and our Nation's ability to continue to properly train and equip the force. Marines realize the danger to the Nation, their vital role, the magnitude of their responsibilities, and readily accept the challenge of carrying out these responsibilities.

Marines continue to demonstrate that we are an expeditionary force in readiness. Your continued support has made this possible. The Global War on Terror (GWOT) will be a generational war; therefore, maintaining our readiness, while modernizing and transforming to meet future challenges, is critical to ensuring that the Marine Corps continues to provide the Nation with the capabilities needed to prosecute this war and any future conflicts. On behalf of all Marines and their families, I thank this Committee for your sustained and indispensable support during these challenging times.

CURRENT OPERATIONAL REQUIREMENTS

Currently, your Marines are fully engaged across the spectrum of military operations in prosecuting the Global War on Terror. Since the watershed events of September 11, 2001, the core competencies, capabilities, and emphasis on readiness that the Marine Corps has structured itself around over many years have repeatedly proven their value in the numerous and varied operations this conflict demands.

Previously I have highlighted to Congress that in the early phases of Operation Enduring Freedom (OEF), two forward-deployed Marine Expeditionary Units formed Task Force 58 and projected the first major conventional combat units into Afghanistan – more than 350 miles from its sea base of amphibious shipping. Operation Iraqi Freedom (OIF) witnessed the flexibility of our projection capabilities when a combat ready Marine Expeditionary Force (MEF) of over 70,000 Marines and Sailors was deployed in less than 60 days by multiple means. The significant capabilities of this combined arms force were demonstrated as it attacked more than 500 miles from its off-load areas in Kuwait, rendering ten Iraqi divisions combat ineffective, and seizing half of Baghdad as well as key areas to the north. At the conclusion of major combat operations, strategic plans called for the Marine forces to redeploy and reset for any future contingencies and/or requirements levied by Regional Combatant Commanders (RCCs). In response, Marine forces redeployed to home stations during the summer and fall of 2003. Concurrently, the Marine Corps set about resetting the force, with a particular emphasis on reconstituting prepositioned assets, repairing/replacing equipment and replenishing ammunition.

In October 2003, based on a surge in enemy activity, the Marine Corps received a short-notice tasking to deploy a force of about 25,000 Marines back to Iraq to assume responsibility for the Multi-National Force-West region. Although originally tasked to arrive in April 2004, the I Marine Expeditionary Force (I MEF) arrived in February to accelerate a Relief in Place (RIP) with units pending redeployment. In response to emergent requirements, the 11th, 24th and 31st Marine Expeditionary Units (MEU) deployed to the CENTCOM AOR during the summer and fall of 2004. Each MEU was subsequently employed ashore in support of combat operations in Iraq, and their addition to the I MEF force brought the total USMC strength in OIF II to slightly above 30,000. Of note, this short-notice, substantial increase in USMC commitment to OIF II was made after the Secretary of Defense authorized the Commandant to partially suspend the USMC requirement to maintain forward deployed forces in support of Commander, U.S. Pacific Command. We intend to continue this partial suspension for the foreseeable future.

Recently, we conducted a planned major rotation of our units and headquarters in Iraq, as the II Marine Expeditionary Force replaced I MEF forces. Many of these units had previously deployed to this theater, but we continue to aggressively match our training and equipment to the changing threat. We expect our commitment to Iraq to remain at about 23,000 Marines and Sailors, with the Marine Corps Reserve forces providing about 3,000 of these personnel into 2006. Additive to that force, the 15th MEU is currently in Iraq assisting with stability operations while a number of other units conduct scheduled transfers of authority. Recently the 26th MEU departed for the region as well.

In Afghanistan this past spring we provided, on short-notice, a regimental headquarters and the 22nd MEU. This Marine force, in addition to the infantry battalion and helicopter support already supporting OEF in Afghanistan, was a major element of the combined joint task force assigned to counter a suspected Taliban "Spring Offensive." The success of this force greatly assisted in setting the conditions for the Afghanistan national elections later in the year and in establishment of a secure and stable government. The Marine Corps contribution to OEF in Afghanistan continues with an infantry battalion, elements of two helicopter squadrons, reinforced embassy security provided by Marines from our anti-terrorism battalion, an air operations center and Afghanistan Army training teams.

OIF/OEF Funding

While more work and analysis needs to be done, the Marine Corps has established a consistent pattern of identifying and acquiring the material solutions necessary to sustain the GWOT while continuing to modernize and transform. First, we have embraced the fact that the GWOT has, and continues to have, an impact on our ability to restore our warfighting capability. Second, we have implemented procedures to allow for early identification of estimated funding requirements. Finally, we have adjusted acquisition strategies to maximize procurement efficiencies. As a part of this process we

have worked within the constraints of several planning factors. Most notable amongst these factors is the consistent, sustained deployment of approximately 30 percent of our ground assets and 25 percent of our aviation assets in support of the GWOT. Those deployment rates, when considered in the context of our assumption that most of the ground equipment in theater eventually will be attrited, or beyond economical repair, highlight the potential enormity of our equipment replacement requirements. In some cases, both ground and aviation assets will be replaced through normal, yet accelerated, procurement methods. In other cases, short-term measures will be taken to mitigate loss of capabilities until anticipated modern or transformational capabilities enter the force.

From inception, the incremental operational costs of both OIF and OEF have been principally funded through supplemental appropriations based on Office of the Secretary of Defense guidance. In addition to the supplemental funding requests, the Marine Corps has internally funded (\$400M), through the Urgent Universal Needs Statement (UUNS) process, essential warfighting equipment.

A critical piece of ensuring our Marines were as adequately equipped as possible is the Urgent Universal Needs Statement (UUNS) process, which we initiated in 2002. This process has provided a way for our operating forces to identify and forward new requirements for weapons and gear up the chain of command for quick review and approval (usually in less than 90 days). Upon approval by the Marine Corps Requirements Oversight Council (MROC), the Marine Corps and the Department of the Navy have realigned funds as necessary within permitted reprogramming thresholds. When required by reprogramming authority rules, we have forwarded requests that exceed the established reprogramming thresholds to the Congress for approval. The sources for these reprogramming actions have been the occasional investment account asset (resulting from economies or slippage in approved procurement programs); however, far more often the funding was made available due to our decision to defer the full execution of otherwise approved programs to address immediate warfighting needs not otherwise funded in the Department's Supplemental requests.

The MROC, chaired by the Assistant Commandant of the Marine Corps, approved all UUNS warfighting items. Specifically, the UUNS process enabled us to aggressively pursue the addition of armor to all of our HMMWV and MTVR trucks used outside of garrisons within the USCENTCOM Area of Responsibility, and to quickly provide adequate body armor, improved rifle optics, counter Improvised Explosive Device equipment, night vision devices, blue force trackers, personal radios, replacement ammunition, and numerous other warfighting and force protection critical items.

Beginning with the Fiscal Year 2004 Supplemental, the Marine Corps included some resetting the force requirements: \$71M for depot maintenance and \$139M in procurement of equipment and ammunition. That amount was an initial down payment on a total bill that is still being calculated.

In response to ongoing operations in Iraq and Afghanistan, in the spring of 2004 the Secretary of Defense requested that the Services assess the impact of higher operating tempo and environmental factors on the total inventory of equipment. The Marine Corps prepared its Demand on Equipment analysis on an initial list of 94 high cost/high use items of equipment, including both ground and aviation systems. That analysis identified \$2.2B in replace/repair costs, which is included in the Fiscal Year 2005 Supplemental request. Additionally, the Marine Corps requested, through the Fiscal Year 2005 Supplemental, funding to replace equipment taken from our prepositioning stocks (both Maritime Prepositioning Squadron and Marine Corps Prepositioning Program –Norway) (\$246M), CONUS stocks (\$400M), and to fund urgent warfighting equipment needs (\$2.1B). In all instances we assessed our ability to contract for and obligate Fiscal Year 2005 funding to expedite the delivery of this equipment; however, due to industrial base and other execution issues, a portion of our requirements must be deferred until Fiscal Year 2006 and subsequent fiscal years.

At present, the Marine Corps is using the funding provided by the Fiscal Year 2005 Bridge Supplemental (\$2.1B) to finance GWOT operations and to procure urgently needed force protection equipment, including vehicle armor kits and aircraft survivability equipment. Today, we are continuing our analysis of resetting the force requirements, those that have been deferred due to execution concerns and those that are continuing to be generated by ongoing operations in support of the GWOT.

Equipment Cross-leveling

A critical aspect of the Marine Corps reconstitution planning effort is our ongoing effort to cross-level equipment across the force, to include equipment required in Iraq and Afghanistan, prepositioned stocks and home station operating/training sets. In order to ensure seamless operational support to OIF and the most cost effective strategy for force rotations, the Commandant directed that equipment necessary to prosecute OIF operations remain in theater for as long as practical. This policy has allowed the Marine Corps to focus our efforts on identifying, attaining and delivering the best equipment possible to forces in theater; equipment tailored to the threat and force requirements. This policy also drastically reduces equipment rotation costs, thus husbanding critical financial resources for other uses.

Although having the best equipment, in the right quantities, in support of deployed units is paramount, the policy of retaining equipment in theater has led, for a myriad of reasons, to home station equipment shortfalls. These shortfalls, if allowed to continue, will have a direct impact on the ability of Marine Forces to train in preparation for known and contingent deployments in support of the GWOT. In order to fill these shortfalls to a level that will enable pre-deployment training, actions have been initiated to cross level equipment throughout the Marine Corps, including both active and reserve components. These actions include the transfer of equipment both to and from active and reserve units. Once

complete, these actions best posture available equipment, not being utilized in theater, to ensure support to Marine Forces home station training and their ability to respond to contingencies.

Sustaining the Current Level of Effort

Your support has ensured our near-term readiness remains strong, even while current demand on the force is high. The entire Marine Corps is supporting the GWOT, and no forces have been fenced. In the past two years, we have gone from a pre-GWOT deployment rotation ratio of just over one-to-two (~6 months deployed / ~14 months home) to our current ratio of just above one-to-one (~7 months deployed / ~7 months home), primarily in our infantry battalions, rotary-wing aviation squadrons, and other high demand units. This means that many Marine units in the operating forces are either deployed or are training to relieve deployed units. In an effort to sustain and regenerate Marine forces for service in Iraq, and in response to lessons learned, the Marine Corps has trained and deployed a sizable number of provisional units. These provisional units have generally fallen into two categories: those units that have cross-trained to enhance capabilities inherent, but secondary, within their mission sets and those units that have trained to a completely new mission set. Cross-training, where clearly the majority of Marine Corps actions have focused, include training artillery, tank and engineer units in security, MP and transportation missions. Complete new missions for units/Marines, while limited but required, has included training engineer units in civil affairs, creating small detachments of foreign military trainers and training a small number of Marines in personnel recovery. While these innovative solutions have helped reduce operational tempo for high demand/low density units in the near term, they have also caused the Marine Corps to evaluate our entire active and reserve force structure in the context of not only the GWOT, but other enduring requirements in as yet unforeseen conflicts. Based on lessons learned, GWOT requirement trends and a need to implement permanent structure changes for relevant capabilities, the Commandant of the Marine Corps initiated a comprehensive force structure review in the spring of 2004.

Force Structure Initiatives

After a complete review, the Commandant approved the general Force Structure Review Group (FSRG) recommendations in late September 2004. Those recommendations defined changes to existing, eliminated unnecessary, and developed new force structure. The new units and increases in certain Military Occupational Specialties that these force structure changes create will help to reduce deployment tempo stress and meet critical capability requirements in areas such as infantry, reconnaissance, explosive ordnance disposal, human intelligence, language specialists and civil affairs. Our current estimate of force structure initiatives' costs from Fiscal Years 2005-2011 totals approximately \$1.4B, of which \$408M is included in the Fiscal Year 2005 Supplemental request.

The majority of new units created by these initiatives will achieve Initial Operating Capability (IOC) in Fiscal Year 2006, with Full Operating Capability (FOC) by Fiscal Year 2008. MILCON and

equipment procurement requirements will require funding in Fiscal Year 2005 to support IOC and FOC because military construction projects have an average lead time of two to three years, and many of the procurement items have lead times ranging from 18-24 months. A number of the critical MOSs to be augmented will take longer to achieve FOC due to the amount of additional training time required to achieve proficiency (e.g., Explosive Ordnance Disposal training takes four years to accomplish).

Initial fiscal support to implement FSRG recommendations will require Fiscal Year 2005 funding. The Fiscal Year 2006 incremental costs were defined and submitted for congressional review and action on the Fiscal Year 2006 Unfunded Programs List. The Fiscal Year 2007 and out year costs required to complete and sustain the FSRG recommendations are being addressed for inclusion in our baseline budget.

Demand on Equipment

The Global War on Terror usage rates in combat theaters can be three to six times higher than those in other locations. This increases the cost of operations and maintenance beyond what is typically budgeted. During each month of OIF, the Marine Corps incurred equipment maintenance and sustainment related costs of close to \$80M a month beyond normal budgeted levels that had to migrate from some other source. Assuming a similar operational tempo, and making adjustments for the current equipment density that is deployed in theater, the Marine Corps can expect in excess of \$50M per month of ground equipment maintenance requirements over baseline program, non-combat maintenance needs. In addition to higher usage rates, equipment is being used under extreme conditions. The harsh desert environment and hard driving to evade enemy activity causes damage, which increases the maintenance requirements. Further, the practice of adding armor to unarmored trucks also causes significant stress on vehicle frames and power trains.

Our readiness priority is the support and sustainment of our forward deployed forces. Our supplemental request is based on our best assessment of what is required to address essential wartime readiness tasks, with consideration for what is already in our peacetime operating budget to maintain readiness. Thus, our baseline budget and supplemental request are intrinsically linked.

To date, more than 1,800 principal end items valued at \$94.3M have been destroyed. An additional 2300 damaged end items will require depot maintenance.

Ground Equipment: The ground equipment readiness rates of our deployed forces average 95 percent. Our pre-positioned stocks, within both the Marine Corps Preposition Program – Norway and Maritime Prepositioned Shipping, have ensured the sustained readiness of our deployed ground units. We are sustaining our readiness in theater through integration of spare parts and private contractor support. In order to improve our readiness rate in theater, we are coordinating with the Army to leverage their ground depot maintenance capability, and establishing a pool of ground equipment to expedite the

replacement of damaged major end items. The corresponding ground equipment readiness rates for units remaining in garrison are 81 percent.

<u>Aviation Equipment</u>: Our legacy aircraft are performing their assigned missions and are holding up well under increased usage rates. For example, the CH-46 troop transport helicopter has been flown and utilized in support of OIF at 230 percent of its peacetime usage rate. At such rates, maintaining the readiness of our aviation assets presents a considerable challenge.

While utilization rates have increased, the overall trends for deployed aircraft readiness have remained fairly constant. The current aviation equipment readiness rates of our deployed units average 72 percent. In order to improve our readiness rate in theater, we are creating a limited aircraft depot maintenance capability. The overall readiness rating for non-deployed units is currently 69 percent, but trending down, while the utilization has remained constant. This does cause concern because the non-deployed aircraft are required for training replacement forces for forward deployed units.

Due to the lack of an active production line for our CH-46, H-1, and CH-53 platforms, we are managing these assets until the next generation replacement aircraft become available. There are risks associated with this strategy, and we are managing those risks through a variety of approaches, including sustainment and individual component upgrade programs. As an example, the Fiscal Year 2006 Budget requests funding for the CH-46E T-58 and CH-53E T-64 Engine Reliability Improvement Programs; these programs will improve the capability of these engines, reduce maintenance requirements, and address the effects of degradation from GWOT desert operations.

The H-1 Upgrades Program will remanufacture 180 AH-1W and 100 UH-1N helicopters into modern AH-1Z and UH-1Y models. The Fiscal Year 2006 Budget requests \$307.5M APN funds to procure 10 UH-1Y/AH-1Z aircraft and \$42.0M RDT&E funds to complete the H-1 Upgrades Engineering and Manufacturing Development phase. The program is seeking opportunities to reduce unit cost and minimize the negative impact the remanufacture strategy could have on ongoing military operations. Of note, we anticipate that some number of airframes will be newly fabricated instead of remanufactured in order to reduce the amount of time aircraft would otherwise be out of service and to mitigate the effects of war attrition on aircraft inventory. The optimum mix of remanufactured and newly fabricated aircraft is being evaluated with the results to be reflected in future budget requests.

The Marine Corps reprogrammed Fiscal Year 2005 funds for non-recurring engineering (NRE) to initiate "build new" production of UH-1Ys

The Marine Corps' CH-53E continues to demonstrate its value as an expeditionary heavy-lift platform, with significant assault support contributions in Afghanistan, the Horn of Africa and Iraq. We are requesting funding to take five CH-53E aircraft out of desert storage and refurbish them to replace five aircraft destroyed during operations in support of the GWOT. Concurrently, we are exploring

potential means to accelerate developmental funding for the Heavy Lift Helicopter Replacement (HLR) Program. The Fiscal Year 2006 Budget requests \$272M RDT&E to begin the SDD phase of the HLR program that will replace the aging fleet of CH-53E platforms.

The MV-22 Osprey remains the Marine Corps' number one aviation acquisition priority. The Osprey's increased range, speed, payload, and survivability will generate transformational tactical and operational capabilities. Ospreys will replace the aging Marine fleets of CH-46E and CH-53D helicopters beginning in Fiscal Year 2005, which will provide both strategic and tactical flexibility to meet emerging threats in the GWOT. Utilization far above peacetime rates, and the physical demands of continuous operations in the harsh conditions of Iraq and Afghanistan, are accelerating the deterioration and increasing operating costs of the legacy aircraft that the MV-22 will replace. These factors make a timely fielding of the MV-22 critical. The Fiscal Year 2006 Budget request includes \$1.3B for nine MV-22s, trainer modifications and retrofits and \$206.4M for continued development, testing and evaluation.

Marine Aviation Command and Control Systems, specifically our TPS-63 and TPS-59 radar systems, have experienced accelerated utilization and degradation due to the GWOT, and there are no open production lines. Acceleration of the G/ATOR and HELRASR transformational programs is a component of our reset requirements.

Ammunition Requirements

<u>Ground Ammunition</u>: The Marine Corps' ground ammunition budget fully supports the major elements of the War Reserve Munitions Requirement and training ammunition in the near-term but assumes some risk in Strategic Readiness Requirements such as Norway prepositioning, Homeland Defense, and standing contingency forces.

The Marine Corps' Fiscal Year 2005 Supplemental funding includes munition items. Machine gun ammunition, demolition items, 40mm grenade, and 120mm Abrams tank cartridges continue to be high use items. Additionally, the Marine Corps continues to modernize its conventional ammunition capability when possible.

Aviation Ordnance:

Hellfire: The Hellfire missile continues to be expended in support of current GWOT operations. The Marine Corps modernization efforts addressed in the Fiscal Year 2005 Supplemental request an additional \$43M to replenish inventories. This request is even more critical following the termination of the Joint Common Missile program.

LAU-7 Launchers: Engineering teams have tested 1036 LAU-7 launchers and found 12.5 percent cracked (as of 19 Dec 04), and 53.2 percent worn beyond limits. Current failure rate would begin to cause non-mission capable F/A-18 aircraft in 2006. Support for the Marine Corps' Fiscal Year 2005

Supplemental funding request for \$11M for LAU-7's will provide long lead items, ensure deliveries in 2006 and maintain F/A-18 aircraft readiness.

Prepositioning Programs Reset Actions, Requirements, and Funding

OIF provided an opportunity to employ maritime prepositioning as it was envisioned. The offloading of eleven ships in 16 days through one port was the second largest MPF operation in history, providing most of the equipment used by Marines in OIF I. The equipment readiness on the first squadron was 98.5 percent, while the second squadron was 99.1 percent. After OIF I, and concurrent with the reorganization to "mirror image" our squadrons, we began reconstituting downloaded ships even as we continued to support ongoing operations. Equipment and supplies not used to reconstitute MPSs in Kuwait and not required by engaged forces were brought to Blount Island Command (BIC) and put in general support of MPF Maintenance Cycle 8 (MMC-8), which commenced with the reconstitution of MPSRON-1 beginning in April 2004.

MPSRON-1 completed reconstitution and MMC-8 in March 2005 and is ready to support the operational requirements of the Regional Combatant Commanders. The squadron's major end item maintenance readiness is 99.6 percent.

In March-April 2004, two ships from MPSRON-2 and maritime prepositioning equipment and supplies from Blount Island Command were used to support Marines still conducting operations in Iraq. All of MPSRON-2's maritime prepositioning equipment and supplies have been downloaded. Four of its ships are in the Common-User Sealift Pool (CUSP), and one is conducting Extended Maritime Interdiction Operations (EMIO) in direct support of Commander, U.S. Pacific Command. Ships from MPSRON-2 will rotate through MMC-8 from June 2005 - April 2006.

MPSRON-3 was reconstituted in Kuwait from September 2003 - February 2004 and will rotate through MMC-8 from March 2006 - April 2007. The squadron's current major end item maintenance readiness is 98.8 percent.

Marine Corps Prepositioning Program - Norway (MCPP-N). The Marine Corps is in the process of transforming its Norway Air-Landed Marine Expeditionary Brigade (NALMEB) prepositioning program into the MCPP-N. The prepositioning objective for MCPP-N is projected to be roughly equivalent to the NALMEB prepositioning objective, while its mission is transforming from a Cold War paradigm to an emphasis on forward deploying war reserve material prepositioned stocks in general support of all Regional Combatant Commanders.

After OIF I, MCPP-N transferred major end items to the MPF program in support of the back load of prepositioning ships during MMC-8. In support of OIF II, the Marine Corps deployed approximately five percent of MCPP-N's major end items. On 1 March 2005, the Marine Corps directed the redistribution of 25.6 percent of MCPP-N's readiness-reportable major end items to units preparing to

deploy in support of the GWOT as part of our equipment cross-leveling plan. The program's current major end item maintenance readiness is 99.8 percent, and it is currently at 80.1 percent of its overall major end item's prepositioning objective. Its on-hand readiness for reportable end items will decrease to 38.2 percent when ongoing redistributions are complete.

The Marine Corps is planning the reconstitution of MPSRON-2 and MCPP-N. The only capability that will prove difficult to reconstitute in the short term is ground equipment. The current projected attainment for major end items for MPSRON-2 is 44 percent overall, and 32 percent for readiness-reportable equipment. The foundation of our reconstitution efforts is the additional Procurement Marine Corps (PMC) funding from the Fiscal Year 2005 Supplemental. Our Fiscal Year 2005 Supplemental request contained PMC funding to procure the majority of those MPSRON-2 and MCPP-N major end item shortfalls that are executable in Fiscal Year 2005. When approved, and upon completion of fielding, the projected attainment for major end items will be 75 percent for MPSRON-2 and 87.5 percent for MCPP-N. The Marine Corps currently projects we will require an additional \$243M in PMC and O&MMC dollars to complete the reconstitution of MPSRON-2 and MCPP-N; however, the analysis to support an additional funding request is ongoing.

Modernization and Transformation

As we look to the future, the requirements for Naval forces to maintain presence, engage allies and potential coalition partners, build understanding and operational relationships, relentlessly pursue terrorist organizations, and project sustainable forces ashore for a wide variety of operations will increase. While we continue to focus our efforts on sustaining the current requirements for the GWOT, we must not sacrifice our modernization and transformation initiatives in the process. Our modernization and transformation accounts have been bearing the unfunded costs associated with sustaining the GWOT. The Fiscal Year 2005 Supplemental will relieve some of this pressure by beginning to address the recapitalization of our forces. Our modernization and transformation initiatives must plan for the procurement of replacement equipment that will enable our Corps to be ready for future conflicts and contingencies.

While there are numerous modernization and transformation initiatives underway, the following provides a brief update of several critical programs and corresponding funding status. Other modernization or transformational initiatives have been covered earlier in this statement or in previous testimony to this and other Committees.

Maritime Prepositioning Force (Future) (MPF(F)): These future Maritime Prepositioning Ships will serve a broader operational function than current prepositioned ships, creating greatly expanded operational flexibility and effectiveness. The Fiscal Year 2006 Budget request includes \$66M of RDT&E

funds to develop technologies to support future sea basing needs in MPF(F). The first MPF(F) ship is planned for Fiscal Year 2009 with advanced procurement award scheduled in Fiscal Year 2008.

<u>Landing Craft Air Cushion (LCAC) Service Life Extension Program (SLEP):</u> Our fleet LCACs saw dramatically increased operational tempo supporting worldwide operations during the past year, underscoring the need for the LCAC SLEP. The Fiscal Year 2006 Budget request includes \$111M for SLEP of six craft.

MAKIN ISLAND (LHD 8): LHD 8 is the last ship of the LHD 1 Class of big deck amphibious ships, which represent a critical element of the Navy and Marine Corps future in expeditionary warfare. In accordance with Congressional direction to incrementally fund LHD 8, the Fiscal Year 2006 Budget requests \$198M for the last increment in the continued construction of LHD 8.

<u>LHA(R)</u>: The Fiscal Year 2006 Budget requests \$150M of advance procurement funds for LHA(R) to support an accelerated ship construction start in Fiscal Year 2007.

The SAN ANTONIO (LPD 17): This class of amphibious transport dock ships is optimized for operational flexibility and designed to meet Marine Air-Ground Task Force lift requirements and represents a critical element of the Navy and Marine Corps future in expeditionary warfare. The Fiscal Year 2006 Budget includes \$1.3B to fully fund the construction of the eighth ship of the class.

<u>Vertical Unmanned Air Vehicle (VUAV):</u> The Fiscal Year 2006 Budget requests \$9.2M to evaluate the Eagle Eye UAV, currently being developed by the United States Coast Guard in connection with its Deepwater Program.

Conclusion

In closing, I would like to again thank the members of the Committee for their continuing support of the Marine Corps, and for the opportunity to discuss our current readiness and its inextricable link to our resource requirements. The young men and women of your Corps are doing an exceptional job in OIF and OEF. Their accomplishments are a direct reflection of your continued support and commitment to maintaining our Nation's expeditionary warfighting capability. We are in the midst of challenging times, faced with some clear choices, and still others that require further study—but none of the choices we face will have an inexpensive, easy path to success. However, we go forward with confidence because Marines have the best training and equipment in the world, thanks to the support of this Committee, and the Nation we proudly serve. We must continue to inspire, train, and equip them for success. Our Fiscal Year 2005 supplemental request and our Fiscal Year 2006 budget work together to address our essential operational and maintenance, procurement, modernization and transformation requirements to sustain our readiness, while providing opportunity for investment in the future of our Corps. On behalf of all Marines and their families we greatly appreciate the unwavering support of Congress in the sustainment and readiness of the Marine Corps.